

MEMORANDUM REPORT

BUREAU OF NARCOTICS

DISTRICT NO.

THAILAND

CASE FILE NO.

REPORT MADE

GEN. FILE TITLE:

AT: Bangkok, Thailand
DATE: September 2, 1966

RELATED FILES

OTHER OFFICERS

BY: Albert Habib
Narcotic Agent

SUBJECT OF THIS MEMORANDUM

OPIUM TRAFFIC BETWEEN THAILAND AND VIETNAM

RECOMMENDATION

PENDING:

CLOSE:

FURTHER INVESTIGATION:

DETAILS (if report is over two pages in length summarize in first paragraph)

1. Reference is made to my Memorandum Reports #2786, 2797 and 2804 regarding this investigation. Further reference is made to paragraph 3 of Memo #2804 regarding a trip to Saigon, Vietnam to brief Ambassador Henry Cabot Lodge.

2. On August 9, 1966 Major Waring, the Informant now identified as Mr. TRAN NGOR AN (Assistant Secretary at the Vietnamese Embassy in Bangkok) and myself departed Bangkok, Thailand enroute Saigon. During the trip to Saigon I had a conversation with Mr. TRAN and learned that he (MR. TRAN) was in possession of the 250 kilos of opium and that his Agent knew of a place where 2 other tons of opium were hidden, waiting for this first shipment to go through. Mr. TRAN further told me that he had arranged for Major Waring and I to meet his superiors the next day.

3. On August 10, 1966 I reported the U. S. Embassy in Saigon to advise them of my presence and mission. Major Waring and I met and conferred with the Administrative Officer and made arrangements to meet Mr. W. F. Porter, Deputy U. S. Ambassador to Vietnam.

4. In the afternoon of August 10, 1966 I met the Informant and asked him if we should advise the Saigon Police regarding this investigation. He replied that his organization, the Military Security Service) had power of arrest and that there was no need to alert the police. He further stated that he had a conference with his superiors and that they suggested letting the 250 kilos of opium go through untouched as they wanted to follow the V.C. organization higher up and that they needed the 250 kilos of opium to uncover the maximum number of people involved in this operation. Major Waring, who was present during this conversation, stated that he had briefed MAJ GEN R. G. STILLWELL, Chief, JUSMAG, Bangkok and

COPY OF THIS MEMO FURNISHED TO

SIGNATURES

BUREAU:

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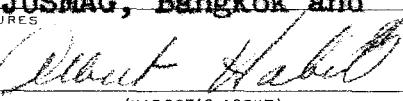
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APPROVED:

(DISTRICT SUPERVISOR)



that GEN Stilwell had made the same suggestion. I replied that at this time I could not make any decisions regarding the opium. I would need to know more about the source of supply in Bangkok, the recipients in Saigon and whether the recipients would be arrested and prosecuted even if there was no further shipment.

5. On August 11, 1966 Major Waring, the Informant and I went to M.S.S. Headquarters and met Mr. NGUYEN THANH TUNG, Assistant for Foreign Affairs of the Military Security Services. Mr. TUNG told us that he was appointed by COL LOAN (Director General of the Vietnamese Security) to handle this investigation. Mr. TUNG stated that this same V.C. network was operating out of Thailand, Laos and Malaya; that their main objective was to purchase opium and gold at the above mentioned countries, ship it to Saigon for resale; and that the profits made from these transactions were used for sabotage and subversive activities. He told me that he wanted the 250 kilos of opium to go through untouched so they could continue the investigation in Saigon. He further stated that as soon as we transport the 250 kilos, another 2 tons of raw opium of which they are already aware, will be transported in the same manner. By that time they will have been able to make their investigation and be prepared to seize the opium and arrest most of the members of this network. I replied that we were doing our best to assist them and that we would give them an answer in a few days.

6. On August 11, 1966 COL Iles, COL Patterson (COL Iles' counterpart in Saigon) and I went to the U. S. Embassy and met with U. S. Ambassador Porter. We briefed the Ambassador of our investigation and requested his approval to continue to assist the Vietnamese. Ambassador Porter declined to approve the operation and stated that they (the U. S. Embassy) were having problems with COL LOAN. Ambassador Porter led us to believe that he did not trust COL LOAN, was apprehensive of a set-up by the Vietnamese which could possibly involve blackmail. Ambassador Porter stated, "Can you imagine if the Vietnamese Police seized 250 kilos of raw opium being transported on a USAF aircraft?" However, Ambassador Porter suggested that we return to see Mr. TUNG and tell him that we had encountered a little difficulty in obtaining a plane to transport the opium; that we would take with us a CIA Agent whom we would introduce as the man who would carry on for us in Saigon. All this was done on Saturday, August 13.

7. During the conversations I had with Mr. TRAN I was able to obtain the name of his superior in Bangkok. On Monday, August 15, 1966 I called the Vietnamese Embassy in Bangkok and arranged for a meeting with Mr. LE DINH TAM, Second Secretary at the Vietnamese Embassy in Bangkok.

8. On Tuesday August 16, 1966 I went to the Vietnamese Embassy

and met with Mr. TAM. I reported to him what had happened in Saigon (with the exception of the "Ambassador's Conference".) and asked him what he would do with the opium in case we could not provide the transportation. Mr. TAM replied that he had to turn it over to the source of supply in order to keep his agent undetected. I told Mr. TAM that the source of supply will not trust the agent again anyway and suggested that before he returned the opium he should advise me so that I can approach the Thai Police and organize a way to seize the opium. Mr. TAM agreed to do this and stated that his agent knew where another 2 tons of opium were located but that he (Mr. TAM) had to pull his agent out of the operation as the agent could get killed if the Thais did seize the opium. Mr. TAM then asked me if we did seize the 2 $\frac{1}{4}$ tons of opium, would we be able to financially help the agent to leave Bangkok. I assured Mr. TAM that we can and will do it. Mr. TAM then told me that he would wait another 10 or 15 days and if we cannot provide transportation for the opium to Saigon, he would make arrangements for the seizure to be made in Bangkok.

9. After conferring with Mr. TAM on August 16, 1966, I made several subsequent attempts to locate Mr. TAM. On Friday August 19 I learned that Mr. TAM left for Saigon to report to COL LOAN regarding this investigation. On Friday September 2, 1966 Major Waring and I met with Mr. TAM. Mr. TAM stated that they (the Vietnamese) had transported the 250 kilos of opium on a fishing boat from Bangkok to Saigon; that they had delivered it to the recipients in Saigon and placed surveillance on the apparent residence of the recipient; and that when the 250 kilos of opium were moved from the first location the M.S.S. in cooperation with Vietnamese Customs had seized it and arrested 2 subjects. Mr. TAM then told me that he was in possession of 2 tons of raw opium and wanted us (the Americans) to provide transportation to Saigon. Mr. TAM stated that their investigation was now completed and upon delivery of the 2 tons they would seize the opium and arrest the suspects. I attempted to obtain more details regarding the delivery of the 250 kilos, names of the 2 arrested subjects, etc. but Mr. TAM stated that they only person who could provide this information was COL LOAN. The reporting agent is planning a trip to Saigon on another investigation and while in Saigon will attempt to obtain this information. If the information about the 250 kilos of opium is correct, this agent will attempt to contact Deputy Ambassador Porter and obtain his permission to continue this investigation in order to participate in the delivery of the 2 tons of opium.

10. Further report will be made upon my return from Saigon.